

# Town of Concord

Finance Committee  
22 Monument Square  
P.O. Box 535  
Concord, Massachusetts 01742

Date: November 30, 2016

To: Concord Select Board  
Concord Public School Committee  
Concord-Carlisle Regional School Committee  
Mr. Christopher Whelan, Town Manager  
Ms. Diana Rigby, Superintendent of Schools

From: Linda Miller, Chair, Concord Finance Committee  
Karle Packard, Vice-Chair, and Chair, Guidelines Subcommittee

Re: FY 2018 Final Budget Guideline

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As required by Town bylaws, the Finance Committee has approved a Budget Guideline for the fiscal year beginning July 1, 2017 (FY 2018). The Guideline was adopted with full consideration of the operating budget needs identified by each of the three primary budgeting entities, funding recommendations and requests for non-operating budgets, assumptions regarding non-property tax-revenues, use of unused property tax levy limit capacity, and ultimately the net impact to taxpayers.

In establishing the Guidelines, the Finance Committee also seeks to maintain operating cost increases within certain criteria to meet a goal of financial sustainability over the long term. These criteria include keeping increases from depleting excess levy limit capacity to the extent that general overrides are required, free cash is depleted, bond ratings are affected, or taxpayers are burdened beyond what typical expectations of income growth can accommodate.

The Guideline adopted by the Finance Committee directs \$3,100,000 of incremental funds to the operating budgets, a 4.15% increase over FY 2017 General Fund operating budget levels (see FY 2018 Operating Budget Guidelines and Total Budget Plan, page 3). The Finance Committee is proposing a total FY18 General Fund spending plan of \$101,866,859, which would be an increase of 3.68% over the adopted FY17 budget. To support this budget, the Finance Committee will be recommending the allocation of funds from available reserves as follows:

- \$1,000,000 from the Town's Free Cash balance, for Property Tax Relief

The overall increase in the tax bill to existing taxpayers for FY 2018 is projected to be 3.09%, inclusive of Exempt Debt. This guideline projects a tax levy totaling \$87,793,273, and an unused levy limit of \$3,910,410 (which is 4.58% under the projected levy limit). The Guidelines Subcommittee believes that retaining a modest unused levy capacity is important for the town to maintain flexibility to deal with future infrastructure needs as well as unanticipated expenses and other contingencies.

Several overriding factors and concerns were considered by the Finance Committee at the outset of the guidelines process:

- The Finance Committee is very aware of the cumulative impact of operating budget increases and the related rise in property tax assessments on Concord taxpayers. Income levels of individual taxpayers vary greatly. Continued property tax increases are particularly likely to cause a hardship for taxpayers on fixed and/or low incomes. There remains an overall concern that even more moderate increases when sustained for a number of years could have an impact on the makeup of Concord's population.
- The outlook for national economic growth remains cautiously optimistic but gross domestic product (GDP) for next year is once again projected to increase by less than 3%. The Massachusetts economy continues to show signs of growth, which remain evident in Concord by increases in building permits and some local excise taxes. However, there is a large projected gap in the Massachusetts state budget and, despite assurances to the contrary, there exists concern about the level at which local aid to cities and towns will be funded by the State.

- Growth in Concord's assessed real estate valuations between FY 2016 and FY 2017 saw an overall increase of 2.26% (based on the FY 2017 Tax Rate Analysis report of the Concord Board of Assessors). Residential valuations, representing 91.57% of total valuations, increased 2.46%. Market valuation changes were not consistent across the housing stock; thus, some taxpayers will experience larger increases while others will see reductions.

- New residential development in Concord impacts population growth as well as the mix and demand for town government and school services. Historically, new development has played an important role in providing additional income to the town. The exact timing and impact of currently contemplated projects is not completely measurable at this time.
- Long term employee costs due to contractual pay increases and obligations for pensions and Other Post Employment Benefits (OPEB) will have an impact on budgets and will remain a liability that will require careful management for the future.

Based on information provided to date, the Finance Committee anticipates the Town Government, the Concord Public Schools (CPS) and Concord-Carlisle Regional School District (CCRS) will be able to prepare FY 2018 budgets that maintain core services and meet critical operating priorities within the recommended Budget Guideline. This year the Finance Committee, while not able to fully fund both the CPS and CCRSD budgets as initially presented, was, due to additional revenue, able to arrive at compromise budgets that are acceptable to both parties. However, the Finance Committee does recognize that the Guideline allocation falls short of the Town Manager's updated list of possible budget increases by about \$105,600.

The Finance Committee will continue, as always, to monitor the economic climate as well as the assumptions incorporated in its calculation of funds available for the FY 2018 Operating Budgets. We will continue to work collaboratively with budget authorities to monitor these

factors and provide additional responses or recommendations that may be warranted as the FY 2018 budget finalization proceeds, leading up to Town Meeting in April 2017.

### FY2018 Budget Guideline

| Budget Year               | FY2015 |            |    | FY2016     |    |            | FY2017 |           |    | Guideline Increase |  | FY2018 |  | Percent Increase |
|---------------------------|--------|------------|----|------------|----|------------|--------|-----------|----|--------------------|--|--------|--|------------------|
|                           |        |            |    |            |    |            |        |           |    |                    |  |        |  |                  |
| Town                      | \$     | 20,564,013 | \$ | 21,214,013 | \$ | 22,014,013 | \$     | 1,050,000 | \$ | 23,064,013         |  |        |  | 4.77%            |
| CPS                       | \$     | 32,440,538 | \$ | 34,542,735 | \$ | 35,660,111 | \$     | 1,150,000 | \$ | 36,810,111         |  |        |  | 3.22%            |
| CCRSB *                   | \$     | 15,856,221 | \$ | 16,556,221 | \$ | 17,035,005 | \$     | 900,000   | \$ | 17,935,005         |  |        |  | 5.28%            |
| sub-total: Guidelines     | \$     | 68,860,772 | \$ | 72,312,969 | \$ | 74,709,129 | \$     | 3,100,000 | \$ | 77,809,129         |  |        |  | 4.15%            |
| Other Accounts            | \$     | 13,476,689 | \$ | 14,936,258 | \$ | 14,816,197 |        |           | \$ | 15,659,583         |  |        |  |                  |
| Excluded Debt Service     | \$     | 6,354,473  | \$ | 7,720,712  | \$ | 7,676,046  |        |           | \$ | 7,168,991          |  |        |  |                  |
| Non-Appropriated          | \$     | 1,352,259  | \$ | 1,352,278  | \$ | 1,048,210  |        |           | \$ | 1,229,156          |  |        |  |                  |
| sub-total: Non-Guidelines | \$     | 21,183,421 | \$ | 24,009,248 | \$ | 23,540,453 |        |           | \$ | 24,057,730         |  |        |  |                  |
| Total: Budget Plan        | \$     | 90,044,193 | \$ | 96,322,217 | \$ | 98,249,582 |        |           | \$ | 101,866,859        |  |        |  |                  |

*\* Note that the CCRSD figure includes OPEB, health insurance and pension payments within the CCRSD Operating Budget, which for the Town Government & CPS are included in "other accounts". This difference reflects the fact that the CCRSD is a separate governmental entity, and therefore direct comparisons are not advisable.*

Over the three most recent fiscal years (FY 2015, FY 2016 and FY 2017), the average annual increase in the total operating budget has been 4.47%. During this period the most significant factor driving the budget increases has been salaries. Other factors also driving increases include contributions for unfunded liabilities for OPEB ("Other Post-Employment Benefits", the town's share of retiree health insurance), additional costs for bus transportation and increases in debt expense driven primarily by construction of the new high school. For both CPS and CCRSD, special education costs continue to be a major cost factor that is volatile and largely unpredictable. Additionally, the composition of school enrollment at CCRSD between Concord and Carlisle continues an increasing trend towards Concord, requiring that Concord cover an increasing share of the District's expenses. In the face of such pressures, providing budget increases that allow the Town and schools to maintain the level and quality of public and education services expected by taxpayers, yet alone identifying funds for any new programs or services, is a daunting challenge.

### Key Assumptions of FY2018 Operating Budget Guideline

- Town Government: Funding of Town salary adjustments remains a key priority as the Town is increasingly faced with competition for many key employees from both other municipalities and the private sector. The staffing of the second ambulance in West Concord (8:00am-8:00pm) begins its fourth year as of July 1, 2017. As the mitigation fund created in connection with the Concord Mews development to help defray the staffing cost of this service has been drawn down, the Town operating budget has assumed this additional cost. The Town's intention is to staff the second ambulance 24/7 by FY2019. Additional operating funds are also

needed to cover Fire Prevention staffing and inspections. Some of these costs will be recovered through increased inspection and permit fees. Other known cost increases include Veterans' Benefits and additional Public Health Nurse coverage, among other items.

- Concord Public Schools (CPS) and Concord-Carlisle High School (CCRSD): Budget requests at both CPS and CCRSD represent percentage increases that are above last year's requested increases. Once again, contractual salary obligations represent the largest component of both budgets. At CPS, the contract negotiations with the Teacher's union have concluded. Increases are reflected in this year's budget, but larger increases are expected in next year's budget. Construction is moving forward with the new Transportation Depot on the recently acquired W.R. Grace land and the current expectation is for completion by January 2017. Special Education costs at both CPS and CCRSD and the funding of the long-term liability for Other Post-Employment Benefits (OPEB) at CCRSD remains a significant component of the FY 2018 budget.

- Minuteman Vocational High School: The budget plan for FY2018 estimates Concord's assessed share of the Minuteman High School budget at \$500,000. As Concord continues to send more students, this amount has increased from \$407,041 in FY 2016 and \$423,444 in FY2017 to this year's estimate.

- The Group Insurance Account, covering employee and retiree health insurance costs for town government and CPS employees is projected to increase this year after remaining constant since 2012 (see General Fund Budget, page 11, line 9)

- This year the increase in Concord's contribution to the OPEB is \$70,000, considerably less than in previous years (see discussion under On-going Issues below). The CCRSD has a separate OPEB Trust Fund from the Town and it plans to reach its ARC over a longer time horizon. It is budgeting for a \$150,000 increase to its contribution to the Fund in FY18. The Finance Committee is supportive of this commitment and took it into account when setting the Guideline this year.

- State Aid is anticipated to remain stable and reimbursement is generally expected to be at levels almost identical to the FY 2017 budget (see Resource Detail, page 13, line A.10, and the Regional School District's estimate at Page 10, "Financing Sources").

- Circuit Breaker reimbursement from the state for high cost Special Education student placement has not been projected for FY18, but the actual and projected amounts have remained stable for the last two years at about \$1,100,000. It is subject to appropriation by the state legislature annually and the ability of the state budget to continue to meet this funding goal is an important element in our long-term fiscal forecasting.

- The tax levy in FY 2018 on new growth (new construction and renovations/additions expected to be in place by June 30, 2016, as valued by the Board of Assessors and added to the tax roll for FY 2017) is conservatively projected to be \$1,150,000, which is below the record levels of \$1,284,004 for FY 2016 and \$1,412,859 for FY 2017.

- The FY 2018 guideline assumes \$785,000 in funding from the High School Debt Stabilization fund created by the Town to help offset Concord's share of the levy for excluded debt of CCRSD.
- Current Unused Levy Capacity for FY 2018 is anticipated to decrease by \$422,341 to \$3,910,411 (see Levy Limit Calculation, page 16) if the operating budget guidelines are adopted by the Town. Any part, or all of the Unused Levy Capacity may be levied in FY 2018 or future years without a town-wide ballot.

## Free Cash Requirements

Based on FY 2016 financial results compared to the budget, including town revenues, state aid and unexpended appropriations, the Finance Committee estimates a Free Cash balance of + \$12,554,361, which remains above the Finance Committee's long-stated minimum goal of 5% of the total annual budget. To ensure ongoing town flexibility and the importance of maintaining the Town's Aaa "Triple-A" bond rating, the Finance Committee has in recent years recommended maintaining Free Cash reserves at a 10% level. Amounts in excess of this target have been used for transfer to debt stabilization funds in the recent past.

## Property Tax Impact

The impact of the FY 2018 operating budget guideline on the property tax levy is projected at a 3.09% increase to existing taxpayers (see Property Tax Data, page 19). The components of the increase are as follows:

| FY2018 PROJECTED TAX LEVY INCREASE |              |                    |                                                |
|------------------------------------|--------------|--------------------|------------------------------------------------|
|                                    | percent      | amount             |                                                |
| Base                               | 2.94%        | \$2,475,260        | "FY2016 Base" minus "FY2017 Within levy limit" |
| Debt Exclusion                     | 0.14%        | \$117,824          | change in excluded debt tax lev                |
|                                    | <b>3.09%</b> | <b>\$2,593,084</b> | <b>Change in Levy from current taxpayers</b>   |
| New Growth                         | 1.37%        | 1,150,000          | Projected "New Growth" for FY2018              |
|                                    | <b>4.45%</b> | <b>\$3,743,084</b> | <b>Change in Total Levy</b>                    |

Based on the current FY 2017 median single family residential home assessed value of \$819,400 and the tax rate for FY 2017 of \$14.07 per thousand, the FY 2018 median tax bill is projected to increase by about \$356 (\$44 per each \$100,000 of assessed value).

The estimated tax bill impact will continue to evolve as more information is received about projected revenues and New Growth, and a final FY 2018 budgets are developed. The Finance Committee intends, over the next several months, to review all assumptions and recommendations driving the estimated impact of the tax levy on taxpayers for FY2018, the results of which will be included in the *Report of the Finance Committee* to be issued prior to the first session of the Annual Town Meeting on April 24, 2017.

## **On-going Issues:**

### ***Controlling future tax increases:***

The Finance Committee remains concerned with the annual rate at which taxes continue to increase. Specifically, the Finance Committee believes that the current rate of increase is most likely not sustainable and over time could cause significant dislocation and adversely affect the current levels of economic diversity within the Town. Although future tax increases will also be driven in part by increases in town government and school expenses, evolving economic conditions, population changes and increasing demand for services, the major concern of the Finance Committee continues to be the rate at which salaries are contractually obligated to increase over the next few years (see discussion of Contractually mandated salary increases below).

The Finance Committee maintains a Five-Year Forecast model and uses this model to simulate the impact of various assumptions on both the current guideline recommendations and future tax levy increases. The Finance Committee has been increasingly concerned about whether the continued increases in real estate taxes, which exceed increases in incomes, property values or the CPI, are sustainable over the longer term for a diverse population, especially for those on fixed incomes or who are less affluent. The Town works hard to maintain a conservative approach to budgeting and has benefited in recent years from revenues that have exceeded expectations. The increase on existing taxpayers has risen steadily from 1.2% in FY 2013 to 2.5% in FY 2014 to 3.2% for FY 2015 and to 3.5% in FY2016. Tax increases are expected to drop to 1.62% for FY2017. The Finance Committee projects the increase for FY2018 to be 3.09%, which is a bit higher than the historical average, which is a matter of serious concern. It is likely that the overall increase will end up being lower by the time the FY18 Tax Rate is set, as was the case in the current fiscal year.

### ***Minuteman Vocational High School:***

Minuteman Vocational High School is at a very difficult and important place in its evolution, as approval for the new 628-student school building at an estimated cost of \$144 million has recently been obtained. At the same time, at least six member towns will be leaving the district. Currently only 57% of the students at Minuteman are from the 16 member towns. All of these factors will increase the burden on the remaining member towns.

The annual cost to Concord, apart from a new facility, continues to rise as our enrollment has jumped from 9 to 17 students over the past two years. Concord's assessed share of the FY 2018 Minuteman budget is estimated at \$500,000.

### ***Pension and OPEB:***

An ongoing challenge for the Town is the financing of unfunded future liabilities for the employer share of pensions and retiree health insurance.

## OPEB

Operating budget allocations for funding of town OPEB obligations, covering town and CPS employees and retirees, began in FY2012 with a budgeted allocation of \$150,000 toward an OPEB Trust Fund created by the 2009 Town Meeting and with planned annual incremental funding increases of \$250,000 in order to reach the Annual Required Contribution (ARC). For FY2018, the base funding amount is at ARC and an increase of \$70,000 is budgeted to be contributed to the Town OPEB Trust Fund (which also covers the future liability for Concord Public School retirees). This \$1.4 million level is approximately the ARC as measured by the most recent actuarial analysis of the town's future liability. Changes to actuarial assumptions including future increases in medical costs and decreases in the discount rate at which this level can be expected to generate a Trust Fund that will grow at a rate needed to support future liabilities may require adjustments to the annual contribution.

CCRS D has also created a Trust Fund and has developed a revised contribution schedule as part of the FY2018 budget recommendation, which the Finance Committee has supported. Both entities have a strategy to meet their respective OPEB ARC - the Town for FY 2018 and the CCRSD by FY 2020 - which is a significant commitment and one that illustrates the strong and effective financial leadership of the Town and the Regional School District.

## Pensions

The Town's most recent pension system actuarial valuation effective January 1, 2015 reports a funded ratio of 81% with an approved funding schedule designed to reach 100% funding by 2030 while keeping the annual budget impact manageable at a 3% annual rate of increase for the employer share financed from the General Fund. The Committee notes that the Town's Pension Fund supports town employees as well as the non-teaching staff of CPS and CCRSD. The employer share of teacher pensions is paid by the state government as part of the annual state budget.

## ***Debt Obligations and repayment:***

The Town needs to remain aware of the ongoing burden its existing and planned debt issuances will have on future tax levels and rates (see "Unfunded Long-term Liabilities and Outstanding Bonded Debt", page 24). This includes the bonded debt associated with the new Concord-Carlisle High School building, for which \$32,500,000 of bonded debt was issued in the spring of 2014, \$30,000,000 of bonded debt was issued in the spring of 2015 and a final \$2.5 million of long-term bonds were issued in the spring of 2016. The resulting property tax impact of this \$92.5 million project is consistent with the financing plan impact presented to the Town at the November 2011 Special Town Meeting. Utilization of Concord's High School Debt Stabilization Fund, expected to be \$785,000 in FY 2018, has been an important tool in limiting the initial impact of the debt service expense on Concord taxpayers. The annual financing cost for the debt repayment will represent 4.06% of Concord's tax bill by FY 2018, with the debt fully repaid by 2038.

***Contractually mandated salary increases:***

Salaries represent well over half of the town's and school's budgets, and contractually mandated increases have had a negative impact on the ability of these entities to address many of the issues and other needs they have identified. This is particularly acute at CPS, where salary costs alone represent nearly 80% of operating expenses and where recent contracts have included salary and benefit increases substantially above national and regional cost of living increases. As a result of the recently executed contract at CPS, significant increases are expected next year. In the coming year negotiations of the CCRSD teachers' contract will be opened. Maintaining a reasonable level of escalation will be important in establishing long term fiscal sustainability.

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The Finance Committee appreciates the high level of cooperation and collaboration provided by the Town Manager, the Superintendent of Schools and their respective staffs in the development of the Guideline Recommendation. As the budgets progress, the Finance Committee encourages the town government, school administration, select board and school committees to continue to demonstrate fiscal discipline and to work creatively in controlling costs and developing budgets that are sustainable and continue to meet the needs of the town's citizens.

**Attachments:**

|       |                                                                             |
|-------|-----------------------------------------------------------------------------|
| Page  |                                                                             |
| 9     | FY 2018 Operating Budget Guidelines                                         |
| 10    | Education Budgets                                                           |
| 11-12 | General Fund Budget - All Accounts<br>(FY14-17 budgets and FY18 Guidelines) |
| 13-15 | Resource Detail and projected tax levy increase - General Fund              |
| 16-18 | Levy Limit calculation and history                                          |
| 19-22 | Property Tax Data, Fiscal Years 2007-2017, projected 2018                   |
| 23    | Tax Levy for Excluded Debt                                                  |
| 24    | Unfunded Liabilities and Outstanding Bonded Debt at June 30, 2015           |





**Concord Finance Committee  
Proposed FY18 Education Budgets**

**Concord Public Schools**

**Program Area**

|                        | Adopted<br>FY17 Budget | Proposed by Supt.<br>FY18 Budget |
|------------------------|------------------------|----------------------------------|
| Regular Education      | \$ 20,411,283          | \$ 21,428,112                    |
| Special Education      | 8,029,614              | 7,922,660                        |
| Administrative Support | 2,324,741              | 2,458,746                        |
| Operations             | 4,832,986              | 5,071,742                        |
| Fixed Costs            | 61,488                 | 63,456                           |
| <b>Total</b>           | <b>\$ 35,660,112</b>   | <b>\$ 36,944,716</b>             |

**Concord-Carlisle High School**

**Program Area**

|                        | Adopted<br>FY17 Budget | Proposed<br>FY18 Budget |
|------------------------|------------------------|-------------------------|
| Regular Education      | \$ 13,092,183          | \$ 13,926,490           |
| Special Education      | 5,331,033              | 5,471,114               |
| Administrative Support | 1,476,206              | 1,599,099               |
| Operations             | 3,311,281              | 3,422,725               |
| Fixed Costs            | 2,692,678              | 2,777,771               |
| OPEB Trust Fund        | 705,000                | 850,000                 |
| <b>Operations</b>      | <b>\$ 26,608,381</b>   | <b>\$ 28,047,199</b>    |

**Debt Service:**

|                               |                     |                     |
|-------------------------------|---------------------|---------------------|
| debt reimbursed by state aid  | \$ -                | \$ -                |
| debt paid from prior reserves | 0                   | 0                   |
| debt exclusion assessed       | 5,133,393           | 4,984,609           |
| <b>Total - Debt service</b>   | <b>\$ 5,133,393</b> | <b>\$ 4,984,609</b> |

**Financing Sources**

|                                 |                      |                      |
|---------------------------------|----------------------|----------------------|
| State aid                       | \$ 2,791,138         | \$ 2,810,559         |
| District funds                  | 675,000              | 675,000              |
| Prior Year Debt Reserve         | 40,375               | 162                  |
| Assessments                     | \$ 28,235,261        | \$ 29,546,085        |
| <b>Total- Financing Sources</b> | <b>\$ 31,741,774</b> | <b>\$ 33,031,806</b> |

**Concord assessment ratio**

|                        |                      |                      |
|------------------------|----------------------|----------------------|
| without debt exclusion | 73.61%               | 73.51%               |
| debt exclusion         | \$ 17,035,005        | \$ 18,055,141        |
| <b>TOTAL</b>           | <b>\$ 20,783,976</b> | <b>\$ 21,719,327</b> |

**Carlisle assessment ratio**

|                        |                     |                     |
|------------------------|---------------------|---------------------|
| without debt exclusion | 26.39%              | 26.49%              |
| debt exclusion         | \$ 6,066,863        | \$ 6,506,335        |
| <b>TOTAL</b>           | <b>\$ 7,451,285</b> | <b>\$ 7,826,758</b> |

| SCHOOL COMMITTEE             |                     | FINANCE COMMITTEE |                                                 |
|------------------------------|---------------------|-------------------|-------------------------------------------------|
|                              | FY17 to FY18        |                   | Guideline voted<br>Nov. 17, 2016<br>FY18 Budget |
|                              | \$<br>Change        | %<br>Change       |                                                 |
| Concord Public Schools       | \$ 1,016,829        | 4.98%             |                                                 |
| Concord-Carlisle High School | (106,954)           | -1.33%            |                                                 |
| Debt Service                 | 134,005             | 5.76%             |                                                 |
| Financing Sources            | 238,756             | 4.94%             |                                                 |
| Assessments                  | 1,968               | 3.20%             |                                                 |
| <b>Total</b>                 | <b>\$ 1,284,604</b> | <b>3.60%</b>      | <b>\$ 36,810,111</b>                            |
| Concord Public Schools       | \$ 834,307          | 6.37%             |                                                 |
| Concord-Carlisle High School | 140,081             | 2.63%             |                                                 |
| Debt Service                 | 122,893             | 8.32%             |                                                 |
| Financing Sources            | 111,444             | 3.37%             |                                                 |
| Assessments                  | 85,093              | 3.16%             |                                                 |
| <b>Total</b>                 | <b>\$ 1,438,818</b> | <b>5.41%</b>      |                                                 |
| Concord assessment ratio     |                     |                   |                                                 |
| Carlisle assessment ratio    |                     |                   |                                                 |
| Debt Service                 |                     |                   | \$ -                                            |
| Financing Sources            |                     |                   |                                                 |
| Assessments                  |                     |                   |                                                 |
| <b>Total</b>                 | <b>\$ (148,784)</b> | <b>-2.90%</b>     | <b>\$ -</b>                                     |
| Concord Public Schools       | \$ 1,290,034        | 4.06%             | \$ 32,868,216                                   |
| Concord-Carlisle High School |                     |                   | \$1,126,442                                     |
| Debt Service                 |                     |                   | 3.55%                                           |
| Financing Sources            |                     |                   |                                                 |
| Assessments                  |                     |                   |                                                 |
| <b>Total</b>                 | <b>\$ 1,290,034</b> | <b>4.06%</b>      | <b>\$ 32,868,216</b>                            |
| Concord Public Schools       | \$ 19,421           | 0.70%             | \$ 2,810,559                                    |
| Concord-Carlisle High School | 0                   |                   | 675,000                                         |
| Debt Service                 |                     |                   | 162                                             |
| Financing Sources            | \$ 1,310,824        | 4.64%             | \$ 29,382,495                                   |
| Assessments                  | \$ 1,330,245        | 4.19%             | \$ 32,868,216                                   |
| <b>Total</b>                 | <b>\$ 1,330,245</b> | <b>4.19%</b>      | <b>\$ 32,868,216</b>                            |
| Concord assessment ratio     |                     |                   | 73.61%                                          |
| Carlisle assessment ratio    |                     |                   |                                                 |
| Debt Service                 | \$ 1,020,136        | 5.99%             | \$ 17,935,005                                   |
| Financing Sources            | (84,785)            |                   | 3,669,171                                       |
| Assessments                  | \$ 935,351          | 4.50%             | \$ 21,628,455                                   |
| <b>Total</b>                 | <b>\$ 935,351</b>   | <b>4.50%</b>      | <b>\$ 21,628,455</b>                            |
| Concord Public Schools       | \$ 439,472          | 7.24%             | \$ 6,438,602                                    |
| Concord-Carlisle High School | (63,999)            |                   | 1,315,438                                       |
| Debt Service                 |                     |                   | \$371,739                                       |
| Financing Sources            |                     |                   | 6.13%                                           |
| Assessments                  |                     |                   | 4.06%                                           |
| <b>Total</b>                 | <b>\$ 375,473</b>   | <b>5.04%</b>      | <b>\$ 7,754,040</b>                             |

**Budget - All Accounts , FY14 - FY17 and FY18 Adopted Finance Committee Guideline**

| Line #                               |                                       | FY14 Budget          | FY15 Budget          | FY16 Budget          | FY17 Budget       | FY18 Guideline        | Dollar Change       | Percent Change | Percent of Total |
|--------------------------------------|---------------------------------------|----------------------|----------------------|----------------------|-------------------|-----------------------|---------------------|----------------|------------------|
| <b>Town Government</b>               |                                       |                      |                      |                      |                   |                       |                     |                |                  |
| 1                                    | personal services                     | \$ 14,494,368        | \$ 15,181,707        | \$ 15,721,241        | 16,468,178        |                       |                     |                |                  |
| 2                                    | O & M                                 | 3,234,645            | 3,332,306            | 3,458,772            | 3,470,835         |                       |                     |                |                  |
| 3                                    | capital outlay                        | 1,520,000            | 1,625,000            | 1,709,000            | 1,800,000         |                       |                     |                |                  |
| 4                                    | Reserve Fund                          | 225,000              | 225,000              | 225,000              | 225,000           |                       |                     |                |                  |
| 5                                    | <b>Total General Fund</b>             | <b>\$ 19,474,013</b> | <b>\$ 20,364,013</b> | <b>\$ 21,114,013</b> | <b>21,964,013</b> | <b>\$ 23,064,013</b>  | <b>\$ 1,100,000</b> | <b>5.01%</b>   |                  |
|                                      | Emergency Services Stabilization Fund |                      | 200,000              | 100,000              | 50,000            | 0                     | (50,000)            |                |                  |
|                                      | <b>Total Town Government</b>          |                      | <b>\$ 20,564,013</b> | <b>\$ 21,214,013</b> | <b>22,014,013</b> | <b>\$ 23,064,013</b>  | <b>1,050,000</b>    | <b>4.95%</b>   | <b>22.64%</b>    |
| 6                                    | <b>Concord Public Schools</b>         | <b>\$ 31,140,538</b> | <b>\$ 32,440,538</b> | <b>\$ 34,542,735</b> | <b>35,660,111</b> | <b>\$ 36,810,111</b>  | <b>\$ 1,150,000</b> | <b>3.22%</b>   | <b>36.14%</b>    |
| 7                                    | <b>Concord-Carlisle RSD</b>           | <b>\$ 15,356,221</b> | <b>\$ 15,856,221</b> | <b>\$ 16,556,221</b> | <b>17,035,005</b> | <b>\$ 17,935,005</b>  | <b>\$ 900,000</b>   | <b>5.28%</b>   | <b>17.61%</b>    |
| 9                                    | <b>Total Operating Budgets</b>        | <b>\$ 65,970,772</b> | <b>\$ 68,860,772</b> | <b>\$ 72,312,969</b> | <b>74,709,129</b> | <b>\$ 77,809,129</b>  | <b>\$ 3,100,000</b> | <b>4.15%</b>   | <b>76.38%</b>    |
| <b>JOINT TOWN &amp; CPS ACCOUNTS</b> |                                       |                      |                      |                      |                   |                       |                     |                |                  |
| 9                                    | Group Insurance                       | \$ 4,650,000         | \$ 4,650,000         | \$ 4,650,000         | 4,650,000         | \$ 4,800,000          | \$ 150,000          | 3.23%          | 4.71%            |
| 9a                                   | OPEB Trust                            | 650,000              | 900,000              | 1,150,000            | 1,400,000         | 1,470,000             | 70,000              | 5.00%          | 1.44%            |
| 10                                   | Retirement                            | 3,035,000            | 3,125,000            | 3,220,000            | 3,317,000         | 3,667,000             | 350,000             | 10.55%         | 3.60%            |
| 11                                   | Debt Service                          | 3,400,000            | 3,500,000            | 3,605,000            | 3,730,000         | 3,860,000             | 130,000             | 3.49%          | 3.79%            |
| 11a                                  | Refunding savings, required levy      |                      |                      | 114,217              | 0                 | 0                     | 0                   |                | 0.00%            |
| 11b                                  | Debt Service, CCRSD Non-Exempt        |                      |                      |                      | 80,753            | 102,583               | 21,830              | 27.03%         | 0.10%            |
| 12                                   | Social Security/Medicare              | 640,000              | 685,000              | 740,000              | 765,000           | 810,000               | 45,000              | 5.88%          | 0.80%            |
| 13                                   | Other Fixed & Mandated                | 400,000              | 425,000              | 425,000              | 450,000           | 450,000               | 0                   | 0.00%          | 0.44%            |
| 14                                   | <b>subtotal</b>                       | <b>\$ 12,775,000</b> | <b>\$ 13,285,000</b> | <b>\$ 13,904,217</b> | <b>14,392,753</b> | <b>\$ 15,159,583</b>  | <b>\$ 766,830</b>   | <b>5.33%</b>   | <b>14.88%</b>    |
| 15                                   | Minuteman Voc Tech                    | \$ 227,033           | \$ 191,689           | \$ 407,041           | 423,444           | \$ 500,000            | \$ 76,556           | 18.08%         | 0.49%            |
| 16                                   | High School Debt Exclusion            | 1,551,843            | 1,858,841            | 3,514,429            | 3,668,218         | 3,561,484             | (106,734)           | -2.91%         | 3.50%            |
| 17                                   | Town Debt Exclusion                   | 4,624,457            | 4,495,632            | 4,206,283            | 4,007,828         | 3,607,507             | (400,321)           | -9.99%         | 3.54%            |
|                                      | <b>subtotal</b>                       | <b>\$ 6,403,333</b>  | <b>\$ 6,546,162</b>  | <b>\$ 8,127,753</b>  | <b>8,099,490</b>  | <b>\$ 7,668,991</b>   | <b>\$ (430,499)</b> | <b>-5.32%</b>  | <b>7.53%</b>     |
|                                      | Appropriations from Free Cash         |                      |                      | 625,000              | 0                 | 0                     | (625,000)           |                |                  |
| 18                                   | <b>TOWN MEETING VOTE</b>              | <b>\$ 85,149,105</b> | <b>\$ 88,691,934</b> | <b>\$ 94,969,939</b> | <b>97,201,372</b> | <b>\$ 100,637,703</b> | <b>\$ 3,436,331</b> | <b>3.54%</b>   | <b>98.79%</b>    |
| 19                                   | State assessments                     | \$ 429,403           | \$ 511,384           | \$ 497,843           | 495,310           | \$ 500,500            | \$ 5,190            | 1.05%          | 0.49%            |
| 20                                   | Snow/Ice & other deficits             | 101,951              | 285,362              | 310,772              | 0                 | 178,656               | 178,656             |                | 0.18%            |
| 21                                   | Overlay                               | 539,880              | 555,513              | 543,663              | 552,900           | 550,000               | (2,900)             | -0.52%         | 0.54%            |
| 22                                   | <b>subtotal</b>                       | <b>\$ 1,071,234</b>  | <b>\$ 1,352,259</b>  | <b>\$ 1,352,278</b>  | <b>1,048,210</b>  | <b>\$ 1,229,156</b>   | <b>\$ 180,946</b>   | <b>17.26%</b>  | <b>1.21%</b>     |
| 23                                   | <b>TOTAL BUDGET PLAN</b>              | <b>\$ 86,220,339</b> | <b>\$ 90,044,193</b> | <b>96,322,217</b>    | <b>98,249,582</b> | <b>\$ 101,866,859</b> | <b>\$ 3,617,277</b> | <b>3.68%</b>   | <b>100.00%</b>   |

**FY18 Guideline  
Financing the Budget Plan**

**Change from FY17 Budget**

|                        |                                       | <b>FY14<br/>Budget</b> | <b>FY15<br/>Budget</b> | <b>FY16<br/>Budget</b> | <b>FY17<br/>Budget</b> | <b>FY18<br/>Guideline</b> | <b>Dollar<br/>Change</b> | <b>Percent<br/>Change</b> | <b>Percent<br/>of Total</b> |
|------------------------|---------------------------------------|------------------------|------------------------|------------------------|------------------------|---------------------------|--------------------------|---------------------------|-----------------------------|
| 24                     | state aid                             | \$ 3,792,628           | \$ 4,147,519           | \$ 4,272,640           | 4,642,015              | \$ 4,650,000              | \$ 7,985                 | 0.17%                     | 4.56%                       |
| 25                     | motor vehicle excise tax              | 2,400,000              | 2,600,000              | 2,850,000              | 2,875,000              | 3,042,586                 | 167,586                  | 5.83%                     | 2.99%                       |
| 26                     | investment earnings                   | 125,000                | 100,000                | 100,000                | 150,000                | 150,000                   | 0                        | 0.00%                     | 0.15%                       |
| 27                     | other local revenue                   | 3,094,400              | 3,436,400              | 3,723,200              | 3,607,000              | 3,972,000                 | 365,000                  | 10.12%                    | 3.90%                       |
| 28                     | <b>Appropriations financed from:</b>  |                        |                        |                        |                        |                           |                          |                           |                             |
| 29                     | Elem. Debt Stabilization Fund         | \$ 735,000             | \$ 0                   | \$ 0                   | 0                      | \$ 0                      | \$ 0                     |                           |                             |
| 30                     | CCHS Debt Stabilization Fund          | 230,000                | 500,000                | 1,500,000              | 1,000,000              | 785,000                   | (215,000)                | -21.50%                   | 0.77%                       |
| 31                     | Emergency Services Stab. Fund         |                        | 200,000                | 100,000                | 50,000                 | 0                         | (50,000)                 | -100.00%                  | 0.00%                       |
| 32                     | Free Cash                             |                        |                        | 625,000                | 0                      | 0                         | 0                        |                           |                             |
| 33                     | <b>Transfers to General Fund:</b>     |                        |                        |                        |                        |                           |                          |                           |                             |
| 34                     | from CMLP (Light Fund)                | \$ 447,800             | \$ 458,650             | \$ 472,400             | 465,500                | \$ 474,000                | \$ 8,500                 | 1.83%                     | 0.47%                       |
| 35                     | Thoreau School MSBA grant             | 409,878                | 409,878                | 409,878                | 409,878                | 0                         | (409,878)                | -100.00%                  | 0.00%                       |
| 36                     | "free cash" transfer                  | 850,000                | 850,000                | 950,000                | 1,000,000              | 1,000,000                 | 0                        | 0.00%                     | 0.98%                       |
| 37                     | <b>subtotal</b>                       | <b>\$ 12,084,706</b>   | <b>\$ 12,702,447</b>   | <b>\$ 15,003,118</b>   | <b>14,199,393</b>      | <b>\$ 14,073,586</b>      | <b>\$ (125,807)</b>      | <b>-0.89%</b>             | <b>13.82%</b>               |
| <b>Property Tax:</b>   |                                       |                        |                        |                        |                        |                           |                          |                           |                             |
| 38                     | property tax base                     | \$ 68,113,587          | \$ 71,061,652          | \$ 74,224,261          | 76,371,162             | \$ 80,259,281             | \$ 3,888,119             | 5.09%                     | 78.79%                      |
| 39                     | new growth                            | 1,220,624              | 835,499                | 1,284,004              | 1,412,859              | 1,150,000                 | (262,859)                | -18.60%                   | 1.13%                       |
| 40                     | <b>total within the Levy Limit</b>    | <b>\$ 69,334,211</b>   | <b>\$ 71,897,151</b>   | <b>\$ 75,508,265</b>   | <b>77,784,021</b>      | <b>\$ 81,409,281</b>      | <b>\$ 3,625,260</b>      | <b>4.66%</b>              | <b>79.92%</b>               |
| 41                     | debt service excluded from Levy Limit | 4,801,422              | 5,444,595              | 5,810,834              | 6,266,168              | 6,383,992                 | 117,824                  | 1.88%                     | 6.27%                       |
| 42                     | <b>total property tax</b>             | <b>\$ 74,135,633</b>   | <b>\$ 77,341,746</b>   | <b>\$ 81,319,099</b>   | <b>84,050,189</b>      | <b>\$ 87,793,273</b>      | <b>\$ 3,743,084</b>      | <b>4.45%</b>              | <b>86.18%</b>               |
| <b>TOTAL RESOURCES</b> |                                       | <b>\$ 86,220,339</b>   | <b>\$ 90,044,193</b>   | <b>\$ 96,322,217</b>   | <b>98,249,582</b>      | <b>\$ 101,866,859</b>     | <b>\$ 3,617,277</b>      | <b>3.68%</b>              | <b>100.00%</b>              |

# RESOURCE DETAIL - GENERAL FUND with FY18 FORECAST

|                                            | ACTUAL<br>FY2012   | ACTUAL<br>FY2013   | ACTUAL<br>FY2014   | ACTUAL<br>FY2015   | ACTUAL<br>FY2016   | BUDGET<br>FY2017   | Projected<br>FY2018<br>(Nov. 30, 2016) |
|--------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------------------------|
| <b>A. State Aid:</b>                       |                    |                    |                    |                    |                    |                    |                                        |
| 1. Abatements:                             |                    |                    |                    |                    |                    |                    |                                        |
| Veterans, blind & surviving spouses        | 31,273             | 30,775             | 36,970             | 36,113             | 0                  | 39,627             | 39,627                                 |
| 2. Police Career Incentive ("Quinn")       | 0                  | 0                  | 0                  | 0                  | 0                  |                    |                                        |
| 3. Elderly Persons Abatements              | 8,534              | 6,024              | 6,024              | 4,518              | 4,141              |                    |                                        |
| 4. School Aid (Ch.70)                      | 1,998,997          | 2,075,197          | 2,125,993          | 2,573,232          | 2,705,857          | 3,030,314          | 3,039,192                              |
| 5. Charter School tuition reimbursement    | 26,492             | 13,915             | 17,703             | 15,370             | 5,407              | 893                | 0                                      |
| 6. State-Owned Land                        | 589,606            | 589,796            | 601,459            | 424,522            | 424,522            | 419,471            | 419,471                                |
| 7. Unrestricted General Government Aid     | 910,291            | 981,239            | 1,004,433          | 1,032,288          | 1,069,450          | 1,115,436          | 1,115,436                              |
| 8. Supplemental unrestricted aid           | 70,948             |                    |                    |                    |                    |                    |                                        |
| 9. Veterans Benefits                       | 5,687              | 1,591              | 14,141             | 28,086             | 32,509             | 36,274             | 36,274                                 |
| 10. <b>Total State Aid</b>                 | <b>\$3,641,828</b> | <b>\$3,698,537</b> | <b>\$3,806,723</b> | <b>\$4,114,129</b> | <b>\$4,241,886</b> | <b>\$4,642,015</b> | <b>\$4,650,000</b>                     |
| <b>B. Local Excise Taxes:</b>              |                    |                    |                    |                    |                    |                    |                                        |
| 11. Motor Vehicle Excise                   | 2,338,458          | 2,529,694          | 2,730,604          | 2,866,492          | 2,937,836          | 2,875,000          | 3,042,586                              |
| 12. Hotel/Motel Room Excise                | 277,593            | 262,590            | 277,694            | 297,886            | 334,372            | 350,000            | 350,000                                |
| 13. Meals Excise                           | 290,004            | 296,839            | 311,555            | 333,073            | 360,185            | 325,000            | 350,000                                |
| 14. Jet Fuel Excise                        | 445,559            | 392,272            | 370,248            | 328,986            | 203,899            | 150,000            | 150,000                                |
| 15. Farm Animal & Machinery                | 603                | 1,420              | 1,433              | 0                  | 1,489              | 0                  | 0                                      |
| 16. <b>Total Local Excise</b>              | <b>\$3,352,217</b> | <b>\$3,482,815</b> | <b>\$3,691,534</b> | <b>\$3,826,437</b> | <b>\$3,837,781</b> | <b>\$3,700,000</b> | <b>\$3,892,586</b>                     |
| <b>C. Fines and Forfeitures:</b>           |                    |                    |                    |                    |                    |                    |                                        |
| 17. Tax Penalties & Interest               | 121,819            | 108,530            | 127,975            | 107,274            | 104,483            | 100,000            | 100,000                                |
| 18. Tax Title Interest                     | 55,592             | 75,271             | 114,379            | 210,912            | 33,817             | 25,000             | 25,000                                 |
| 19. Tax Deferral Interest                  |                    |                    | 21,820             | 37,930             | 1,566              | 0                  |                                        |
| 20. Court Fines                            | 113,915            | 93,419             | 101,728            | 85,447             | 118,112            | 90,000             | 100,000                                |
| 21. <b>Total Fines &amp; Forfeitures</b>   | <b>\$291,326</b>   | <b>\$277,220</b>   | <b>\$344,082</b>   | <b>\$441,563</b>   | <b>\$257,978</b>   | <b>\$215,000</b>   | <b>\$225,000</b>                       |
| <b>D. Uses of Money &amp; Property:</b>    |                    |                    |                    |                    |                    |                    |                                        |
| 22. Rental - Nextel tower                  | 20,000             | 20,000             | 20,000             | 20,000             | 22,500             | 22,500             | 22,500                                 |
| 23. Rental - other wireless towers         | 180,157            | 193,148            | 239,697            | 178,955            | 197,530            | 200,000            | 200,000                                |
| 24. Rental - Ripley Building               | 19,744             | 20,258             | 21,588             | 19,262             | 21,686             | 22,750             | 22,750                                 |
| 25. Rental - Harvey Wheeler                | 13,548             | 15,698             | 23,547             | 29,763             | 32,272             | 25,000             | 30,000                                 |
| 26. Rental - Marshall farm                 | 9,675              | 10,747             | 11,715             | 12,897             | 13,332             | 14,000             | 14,000                                 |
| 27. Rental - McGrath Farm                  |                    |                    | 4,652              | 16,800             | 16,800             | 17,000             | 17,000                                 |
| 28. Rental - miscellaneous                 | 402                | 405                | 1,402              | 8,510              | 1,847              | 750                | 750                                    |
| 29. Investment Earnings                    | 196,510            | 151,078            | 86,296             | 82,554             | 158,037            | 150,000            | 150,000                                |
| 30. <b>Total Uses of Money &amp; Prop.</b> | <b>\$440,036</b>   | <b>\$411,334</b>   | <b>\$408,897</b>   | <b>\$368,741</b>   | <b>\$464,004</b>   | <b>\$452,000</b>   | <b>\$457,000</b>                       |
| <b>E. Licenses &amp; Permits:</b>          |                    |                    |                    |                    |                    |                    |                                        |
| 31. Building Permits                       | 577,624            | 526,205            | 847,659            | 620,248            | 1,007,159          | 600,000            | 800,000                                |
| 32. Concord Mews building permits          | 297,173            |                    |                    |                    |                    |                    |                                        |
| 33. Other Health & Inspections             | 252,318            | 277,085            | 321,441            | 296,513            | 374,693            | 300,000            | 325,000                                |
| 34. Alcoholic Beverage                     | 74,850             | 71,725             | 81,225             | 82,600             | 92,225             | 80,000             | 90,000                                 |
| 35. Miscellaneous                          | 10,469             | 10,095             | 45,035             | 41,487             | 49,093             | 20,000             | 40,000                                 |
| 36. <b>Total Licenses &amp; Permits</b>    | <b>\$1,212,434</b> | <b>\$885,110</b>   | <b>\$1,295,360</b> | <b>\$1,040,848</b> | <b>\$1,523,170</b> | <b>\$1,000,000</b> | <b>\$1,255,000</b>                     |

# RESOURCE DETAIL - GENERAL FUND with FY18 FORECAST

|                                                                         | ACTUAL<br>FY2012    | ACTUAL<br>FY2013    | ACTUAL<br>FY2014    | ACTUAL<br>FY2015    | ACTUAL<br>FY2016    | BUDGET<br>FY2017    | Projected<br>FY2018<br>(Nov. 30, 2016) |
|-------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------------------------|
| <b>F. Departmental Fees:</b>                                            |                     |                     |                     |                     |                     |                     |                                        |
| 37. Town Clerk                                                          | 108,702             | 113,734             | 116,589             | 109,791             | 107,298             | 100,000             | 100,000                                |
| 38. Planning                                                            | 22,614              | 20,098              | 14,616              | 24,299              | 16,346              | 5,000               | 10,000                                 |
| 39. Collector-Treasurer                                                 | 44,329              | 51,875              | 70,653              | 108,497             | 68,738              | 50,000              | 60,000                                 |
| 40. Fire - Ambulance                                                    | 557,097             | 500,510             | 591,633             | 668,222             | 699,575             | 700,000             | 700,000                                |
| 41. Public Safety                                                       | 79,505              | 93,996              | 89,892              | 78,192              | 85,488              | 90,000              | 90,000                                 |
| 42. Library - Late Fines                                                | 45,707              | 50,327              | 46,746              | 43,482              | 34,940              | 35,000              | 35,000                                 |
| 43. School Department -misc                                             | 13,501              | 8,966               | 42,976              | 69,777              | 26,285              | 25,000              | 25,000                                 |
| 44. Kindergarten tuition                                                | 84,332              | 87,365              | 96,242              | 109,082             | 120,885             | 115,000             | 115,000                                |
| 45. Medicaid reimbursements                                             | 52,628              | 13,212              | 34,769              | 28,306              | 42,829              | 30,000              | 30,000                                 |
| 46. Miscellaneous                                                       | 35,080              | 46,723              | 29,408              | 24,305              | 27,097              | 20,000              | 25,000                                 |
| 47. <b>Total Departmental Fees</b>                                      | <b>\$1,043,495</b>  | <b>\$986,806</b>    | <b>\$1,133,524</b>  | <b>\$1,263,953</b>  | <b>\$1,229,481</b>  | <b>\$1,170,000</b>  | <b>\$1,190,000</b>                     |
| <b>G. All Other Revenue:</b>                                            |                     |                     |                     |                     |                     |                     |                                        |
| 48. Payments in Lieu of Taxes (PILOT)<br>(Fed.Govt., Housing Authority) | 9,759               | 23,140              | 21,988              | 25,077              | 23,751              | 20,000              | 20,000                                 |
| 49. PILOT on sale of town land                                          | 1,082               | 0                   | 0                   | 0                   |                     |                     |                                        |
| 50. Premium on Sale of Bonds & Notes                                    | 138,634             | 87,504              | 339,823             | 114,455             | 362,178             |                     |                                        |
| 51. (41A) Redemptions                                                   | 57,522              | 40,768              | 133,351             | 78,285              | 19,336              |                     |                                        |
| 52. (61A) Rollback Tax                                                  | 0                   | 27,671              | 40,253              | 0                   | 66,113              |                     |                                        |
| 53. Supplemental tax on new construction                                | 102,369             | 77,521              | 68,306              | 116,075             | 53,926              | 75,000              | 75,000                                 |
| 54. SREC - Willard School solar                                         | 22,496              | 8,890               | 10,845              | 15,021              | 20,724              |                     |                                        |
| 55. Miscellaneous non-recurring                                         | 71,594              | 115,808             | 207,181             | 79,375              | 321,256             |                     | 50,000                                 |
| 56. <b>Total Other Revenue</b>                                          | <b>\$403,456</b>    | <b>\$381,302</b>    | <b>\$821,747</b>    | <b>\$428,288</b>    | <b>\$867,284</b>    | <b>\$95,000</b>     | <b>\$145,000</b>                       |
| 57. <b>TOTAL LOCAL (B-G)</b>                                            | <b>\$6,742,964</b>  | <b>\$6,424,587</b>  | <b>\$7,695,144</b>  | <b>\$7,369,830</b>  | <b>\$8,179,698</b>  | <b>\$6,632,000</b>  | <b>7,164,586</b>                       |
| <b>H. Available Funds</b>                                               |                     |                     |                     |                     |                     |                     |                                        |
| 58. Municipal Light Plant (Electric Fund)                               | 380,000             | 385,000             | 447,800             | 458,650             | 472,400             | 465,500             | 474,000                                |
| 59. Thoreau School MSBA grant                                           | 427,412             | 409,878             | 409,878             | 409,878             | 409,878             | 409,878             | 0                                      |
| 60. Free Cash appropriated to reduce tax rate                           | 850,000             | 850,000             | 850,000             | 850,000             | 950,000             | 1,000,000           | 1,000,000                              |
| 61. Free Cash appropriated for expenditures                             | 46,822              | 0                   | 0                   | 0                   | 625,000             | 0                   | 0                                      |
| 62. Elementary School Debt Stabilization Fund                           | 700,000             | 475,000             | 735,000             | 0                   | 0                   | 0                   | 0                                      |
| 63. High School Debt Stabilization Fund                                 |                     |                     | 230,000             | 500,000             | 1,500,000           | 1,000,000           | 785,000                                |
| 64. Emergency Services Stabilization Fund                               |                     |                     |                     | 200,000             | 100,000             | 50,000              | 0                                      |
| 65. <b>TOTAL AVAILABLE FUNDS</b>                                        | <b>\$2,404,234</b>  | <b>\$2,119,878</b>  | <b>\$2,672,678</b>  | <b>\$2,418,528</b>  | <b>\$4,057,278</b>  | <b>\$2,925,378</b>  | <b>\$2,259,000</b>                     |
| <b>I Property Tax:</b>                                                  |                     |                     |                     |                     |                     |                     |                                        |
| 66. Base                                                                | 64,206,150          | 65,862,787          | 68,113,587          | 71,061,652          | 74,224,261          | 76,371,162          | 80,259,281                             |
| 67. New Growth                                                          | 863,585             | 1,183,336           | 1,220,624           | 835,499             | 1,284,004           | 1,412,859           | 1,150,000                              |
| 68. <b>Within levy limit</b>                                            | <b>\$65,069,735</b> | <b>\$67,046,123</b> | <b>\$69,334,211</b> | <b>\$71,897,151</b> | <b>\$75,508,265</b> | <b>\$77,784,021</b> | <b>\$81,409,281</b>                    |
| <b>Debt Exclusion:</b>                                                  |                     |                     |                     |                     |                     |                     |                                        |
| 69. Concord-Carlisle High School                                        | 322,941             | 184,870             | (4,213)             | (10,456)            | 196,161             | 159,904             |                                        |

# RESOURCE DETAIL - GENERAL FUND with FY18 FORECAST

|                                                      | ACTUAL<br>FY2012    | ACTUAL<br>FY2013    | ACTUAL<br>FY2014    | ACTUAL<br>FY2015    | ACTUAL<br>FY2016    | BUDGET<br>FY2017    | Projected<br>FY2018<br>(Nov. 30, 2016) |
|------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------------------------|
| 70. New CCHS building                                |                     | 69,258              | 1,556,056           | 1,869,297           | 3,318,268           | 3,371,696           |                                        |
| 71. Harvey Wheeler CC renovations                    | 116,994             | 114,039             | 110,837             | 107,389             | 103,694             | 0                   |                                        |
| 72. Alcott School - Bond, Sept. '04 (\$7m), refunder | 533,925             | 522,769             | 509,863             | 496,519             | 439,838             | 432,645             |                                        |
| 73. Alcott School - Ph 2 bond, Mar. '07 (\$2.35m)    | 228,633             | 217,283             | 211,132             | 204,980             | 198,829             | 191,724             |                                        |
| 74. Thoreau School - Bond, Sept. 06 (\$10m)          | 849,156             | 828,392             | 807,628             | 786,172             | 588,300             | 566,100             |                                        |
| 75. Thoreau School - Bond, Sept. '07 (\$6.8m)        | 602,705             | 588,000             | 573,769             | 558,589             | 541,037             | 506,980             |                                        |
| 76. Thoreau school - Bond, Mar. '09 (\$140k)         | 40,800              | 0                   | 0                   | 0                   | 0                   | 0                   |                                        |
| 77. Willard School Design - Bond Spr. '08 (\$1.84m)  | 226,631             | 221,183             | 215,734             | 210,285             | 204,383             | 198,269             |                                        |
| 78. Willard School - Bond, Mar. '09 (\$11.9m)        | 1,008,191           | 995,601             | 979,864             | 955,980             | 937,245             | 918,750             |                                        |
| 79. Willard School - Bond, Jan. '10(\$12.9m)         | 1,044,016           | 1,027,089           | 1,013,547           | 1,000,005           | 986,463             | 971,228             |                                        |
| 80. Phase 1, WPAT State Loan                         | 101,678             | 101,565             | 101,450             | 101,332             | 101,212             | 101,089             |                                        |
| 81. Willard constr. - Bond, June '11 (\$400k est)    | 109,438             | 103,550             | 100,633             | 74,381              | 0                   | 0                   |                                        |
| 82. Thoreau advance refunding, May '15               |                     |                     |                     |                     | 105,282             | 123,245             |                                        |
| 83. CCHS new issue - spring 2016                     |                     |                     |                     |                     |                     | 136,617             |                                        |
| 84. <b>subtotal, debt exclusion</b>                  | <b>\$5,185,108</b>  | <b>\$4,973,599</b>  | <b>\$6,176,300</b>  | <b>\$6,354,473</b>  | <b>\$7,720,712</b>  | <b>\$7,266,168</b>  | <b>\$7,168,992</b>                     |
| <i>less:</i>                                         |                     |                     |                     |                     |                     |                     |                                        |
| 85. <b>Elementary School Debt Stabilization</b>      | (\$700,000)         | (\$475,000)         | (\$735,000)         |                     |                     | \$0                 |                                        |
| 86. <b>Thoreau School MSBA grant</b>                 | (\$427,412)         | (\$409,878)         | (\$409,878)         | (\$409,878)         | (409,878)           | \$0                 | 0                                      |
| 87. <b>High School Debt Stabilization</b>            |                     |                     | (\$230,000)         | (\$500,000)         | (1,500,000)         | (\$1,000,000)       | (785,000)                              |
| 88. <b>Net debt exclusion</b>                        | <b>\$4,057,696</b>  | <b>\$4,088,721</b>  | <b>\$4,801,422</b>  | <b>\$5,444,595</b>  | <b>\$5,810,834</b>  | <b>\$6,266,168</b>  | <b>\$6,383,992</b>                     |
| 89. <b>TOTAL PROPERTY TAX</b>                        | <b>\$69,127,431</b> | <b>\$71,134,844</b> | <b>\$74,135,633</b> | <b>\$77,341,746</b> | <b>\$81,319,099</b> | <b>\$84,050,189</b> | <b>\$87,793,273</b>                    |
| <b>GRAND TOTAL</b>                                   |                     |                     |                     |                     |                     |                     |                                        |
| 90. <b>GENERAL FUND RESOURCES</b>                    | <b>\$81,916,457</b> | <b>\$83,377,846</b> | <b>\$88,310,178</b> | <b>\$91,244,233</b> | <b>\$97,797,961</b> | <b>\$98,249,582</b> | <b>\$101,866,859</b>                   |

## FY2018 PROJECTED TAX LEVY INCREASE

|                | percent | amount      |                                                |
|----------------|---------|-------------|------------------------------------------------|
| Base           | 2.94%   | \$2,475,260 | "FY2016 Base" minus "FY2017 Within levy limit" |
| Debt Exclusion | 0.14%   | \$117,824   | change in excluded debt tax levy               |
|                | 3.09%   | \$2,593,084 | Change in Levy from current taxpayers          |
| New Growth     | 1.37%   | 1,150,000   | Projected "New Growth" for FY2018              |
|                | 4.45%   | \$3,743,084 | Change in Total Levy                           |

# LEVY LIMIT CALCULATIONS

## FY2016 Actual

|                  |                        |
|------------------|------------------------|
| \$ 75,539,516    | FY2015 Levy Limit      |
| <u>1,888,488</u> | plus 2 1/2%            |
| \$ 77,428,004    |                        |
| <u>1,284,004</u> | New Growth             |
| \$ 78,712,008    | FY2016 Levy Limit      |
| <u>5,810,834</u> | FY2016 debt exclusion  |
| \$ 84,522,842    | Maximum allowable levy |

projected tax levy \$81,319,099  
Unused Levy Limit 3,203,743

## FY2017 Actual

|                  |                             |
|------------------|-----------------------------|
| \$ 78,712,008    | FY2016 Projected Levy Limit |
| 23,518           | Amended FY2016 New Growth   |
| <u>1,968,388</u> | plus 2 1/2%                 |
| \$ 80,703,914    |                             |
| <u>1,412,859</u> | New Growth                  |
| \$ 82,116,773    | FY2017 Projected Levy Limit |
| <u>6,266,168</u> | FY2017 debt exclusion       |
| \$ 88,382,941    | Maximum allowable levy      |

projected tax levy \$84,050,189  
Unused Levy Limit 4,332,752

## FY2018 Initial Estimate

|                  |                             |
|------------------|-----------------------------|
| \$ 82,116,773    | FY2017 Projected Levy Limit |
| <u>2,052,919</u> | plus 2 1/2%                 |
| \$ 84,169,692    |                             |
| <u>1,150,000</u> | estimated New Growth        |
| \$ 85,319,692    | FY2018 Projected Levy Limit |
| <u>6,383,991</u> | FY2018 debt exclusion       |
| \$ 91,703,683    | Maximum allowable levy      |

projected tax levy \$87,793,273  
Unused Levy Limit 3,910,410

\*\*\*\*\* updated to include revised New Growth estimate for FY2018

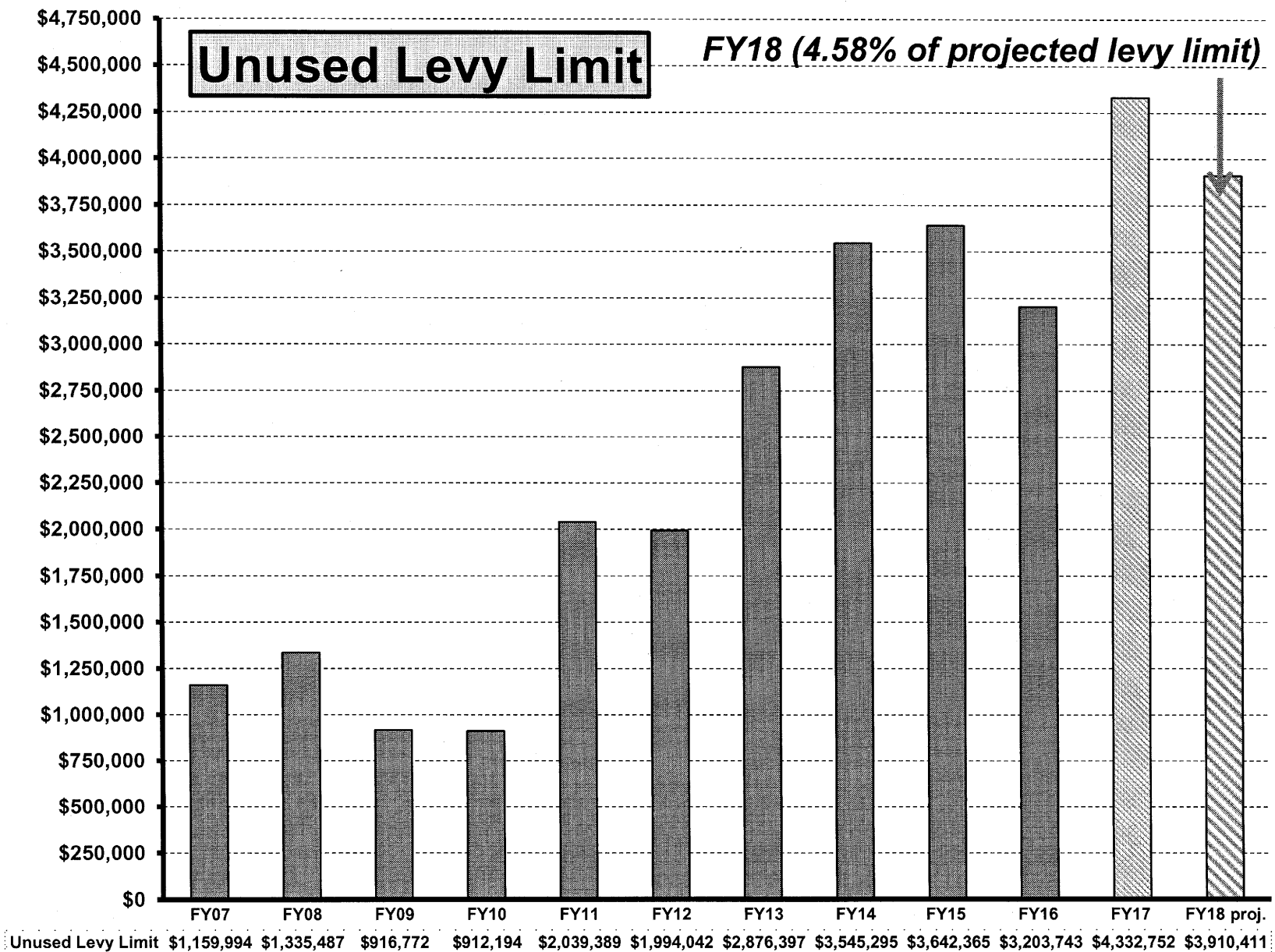


## Levy Limit History

|            | Adjustments,<br>prior years<br>new growth | Allowed 2.5%<br>increase in LL | New growth  | Operating<br>Override voted | Total allowed<br>change in LL | NEW GROWTH measures        |                        | Levy Limit   | Levy within Limit<br>(from RECAP) | Unused<br>Levy Limit | Unused as<br>% of LL |
|------------|-------------------------------------------|--------------------------------|-------------|-----------------------------|-------------------------------|----------------------------|------------------------|--------------|-----------------------------------|----------------------|----------------------|
|            |                                           |                                |             |                             |                               | as % of<br>total LL change | as % of<br>prior limit |              |                                   |                      |                      |
| FY07       |                                           | \$1,291,989                    | \$894,270   | \$657,538                   | \$2,843,797                   | 31.45%                     | 1.73%                  | \$54,523,353 | \$53,363,359                      | \$1,159,994          | 2.13%                |
| FY08       |                                           | \$1,363,084                    | \$1,368,514 |                             | \$2,731,598                   | 50.10%                     | 2.51%                  | \$57,254,951 | \$55,919,464                      | \$1,335,487          | 2.33%                |
| FY09       |                                           | \$1,431,374                    | \$947,751   |                             | \$2,379,125                   | 39.84%                     | 1.66%                  | \$59,634,077 | \$58,717,305                      | \$916,772            | 1.54%                |
| FY10       | \$3,237                                   | \$1,490,933                    | \$1,068,881 |                             | \$2,563,051                   | 41.70%                     | 1.79%                  | \$62,197,127 | \$61,284,933 *                    | \$912,194            | 1.47%                |
| FY11       |                                           | \$1,554,928                    | \$817,300   |                             | \$2,372,228                   | 34.45%                     | 1.31%                  | \$64,569,356 | \$62,529,967                      | \$2,039,389          | 3.16%                |
| FY12       |                                           | \$1,614,234                    | \$863,585   |                             | \$2,477,819                   | 34.85%                     | 1.34%                  | \$67,047,175 | \$65,053,133                      | \$1,994,042          | 2.97%                |
| FY13       | \$4,307                                   | \$1,676,287                    | \$1,183,336 |                             | \$2,863,930                   | 41.32%                     | 1.76%                  | \$69,911,105 | \$67,034,708                      | \$2,876,397          | 4.11%                |
| FY14       |                                           | \$1,747,778                    | \$1,220,624 |                             | \$2,968,402                   | 41.12%                     | 1.75%                  | \$72,879,506 | \$69,334,211                      | \$3,545,295          | 4.86%                |
| FY15       | \$2,462                                   | \$1,822,049                    | \$835,499   |                             | \$2,660,010                   | 31.41%                     | 1.15%                  | \$75,539,516 | \$71,897,151                      | \$3,642,365          | 4.82%                |
| FY16       |                                           | \$1,888,488                    | \$1,284,004 |                             | \$3,172,492                   | 40.47%                     | 1.70%                  | \$78,712,008 | \$75,508,265                      | \$3,203,743          | 4.07%                |
| FY17       | \$23,518                                  | \$1,968,388                    | \$1,412,859 |                             | \$3,381,247                   | 41.79%                     | 1.79%                  | \$82,116,773 | \$77,784,021                      | \$4,332,752          | 5.28%                |
| FY18 proj. | \$0                                       | \$2,052,919                    | \$1,150,000 |                             | \$3,202,919                   | 35.90%                     | 1.40%                  | \$85,319,692 | \$81,409,281                      | \$3,910,411          | 4.58%                |

Notes:

- 8 / -



# Property Tax Data: Fiscal Years 2007-2018

| Property Tax Data: Fiscal Years 2007-2018 |              |                                   |           |          |                             |           |                |                 |              | impact on existing taxpayers |       |
|-------------------------------------------|--------------|-----------------------------------|-----------|----------|-----------------------------|-----------|----------------|-----------------|--------------|------------------------------|-------|
| Assessment Date                           | Fiscal Year  | Median single family parcel value | Tax rate  | Tax Bill | Average single family value | Tax Bill  | Total Tax Levy | New Growth Levy | Net Levy     | % over prior total levy      |       |
| Jan. 1, 2006                              | 2007         | \$718,550                         | \$10.56   | \$7,588  | \$922,372                   | \$9,740   | \$56,065,720   | \$894,270       | \$55,171,450 | +3.6%                        |       |
| Jan. 1, 2007                              | (a) 2008     | 735,650                           | 10.72     | 7,886    | 944,487                     | 10,125    | 58,946,453     | 1,368,514       | 57,577,939   | +2.7%                        |       |
| Jan. 1, 2008                              | 2009         | 707,100                           | 11.90     | 8,414    | 899,866                     | 10,708    | 62,648,641     | 947,751         | 61,700,890   | +4.7%                        |       |
| Jan. 1, 2009                              | 2010         | 656,700                           | 13.09     | 8,596    | 835,697                     | 10,939    | 65,797,569     | 1,068,881       | 64,728,688   | +3.3%                        |       |
| Jan. 1, 2010                              | 2011         | 657,750                           | 13.19     | 8,676    | 839,569                     | 11,074    | 66,545,397     | 817,300         | 65,728,097   | (0.1)%                       |       |
| Jan. 1, 2011                              | (a) 2012     | 677,900                           | 13.58     | 9,206    | 851,674                     | 11,566    | 69,122,997     | 863,585         | 68,259,412   | +2.6%                        |       |
| Jan. 1, 2012                              | 2013         | 669,850                           | 14.07     | 9,425    | 838,804                     | 11,802    | 71,123,429     | 1,183,336       | 69,940,093   | +1.2%                        |       |
| Jan. 1, 2013                              | 2014         | 680,400                           | 14.45     | 9,832    | 847,681                     | 12,249    | 74,135,633     | 1,220,624       | 72,915,009   | +2.5%                        |       |
| Jan. 1, 2014                              | (a) 2015     | 732,600                           | 14.29     | 10,469   | 901,857                     | 12,888    | 77,341,746     | 835,499         | 76,506,247   | +3.2%                        |       |
| Jan. 1, 2015                              | 2016         | \$798,000                         | \$13.92   | \$11,108 | \$969,130                   | \$13,490  | \$81,319,099   | \$1,284,004     | \$80,035,095 | +3.5%                        |       |
| current year                              | Jan. 1, 2016 | 2017                              | \$819,400 | \$14.07  | \$11,529                    | \$987,566 | \$13,895       | \$84,050,189    | \$1,412,859  | \$82,637,330                 | 1.62% |
| projected                                 | Jan. 1, 2017 | 2018                              |           | \$11,885 |                             | \$14,324  | \$87,793,273   | \$1,150,000     | \$86,643,273 | +3.09%                       |       |

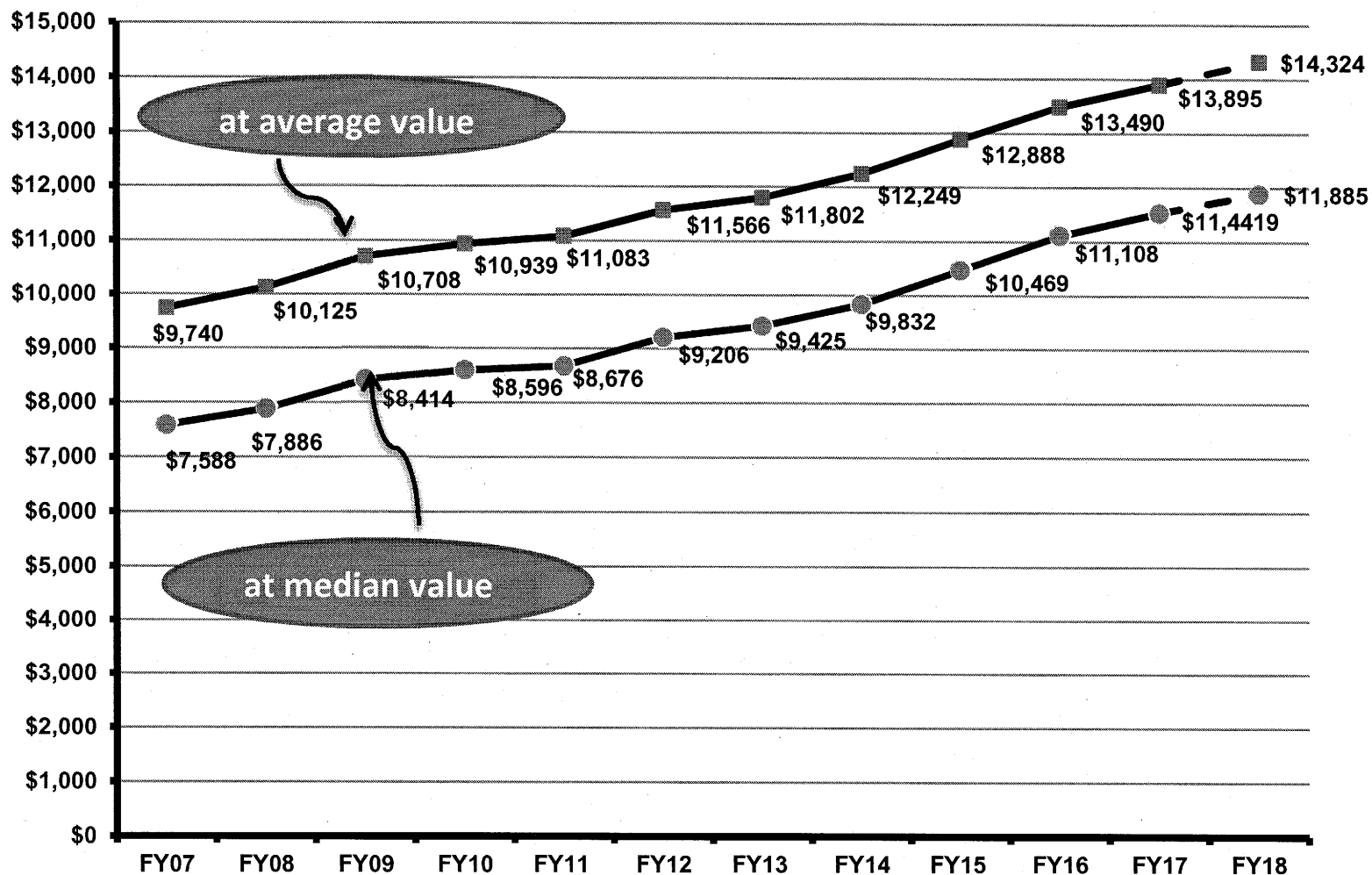
notes: (a) valuation certification year, Mass. Dept. of Revenue on-site review

## Operating overrides and debt exclusion levy impact

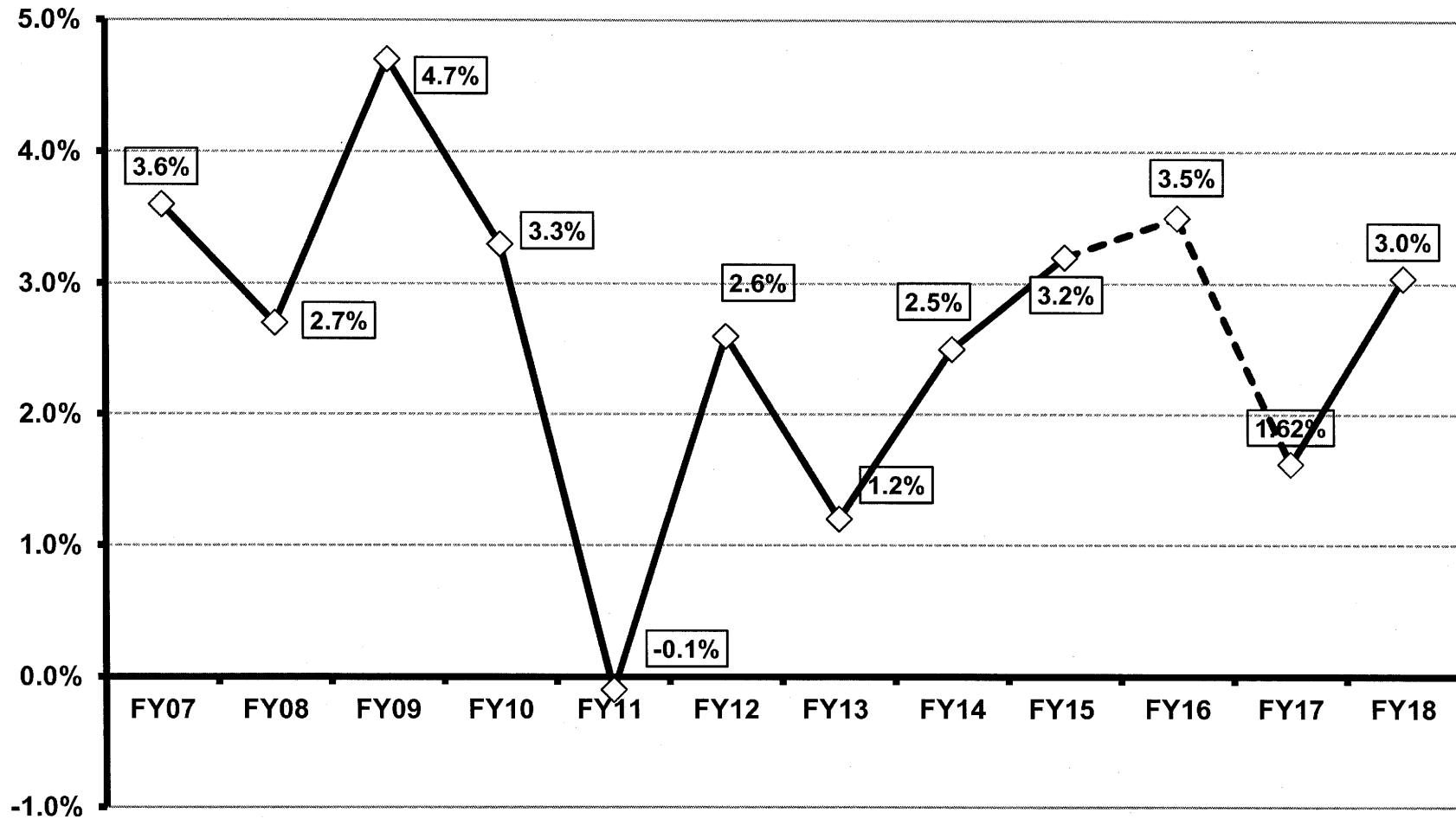
| Fiscal Year       | Voted Operating Override levy | % incr. in levy | Debt Exclusion Levy | Change from prior year | Total change in tax levy |
|-------------------|-------------------------------|-----------------|---------------------|------------------------|--------------------------|
| 2007              | \$657,538                     | 1.23%           | \$2,702,361         | \$215,818              | \$2,792,633              |
| 2008              | none                          |                 | 3,026,989           | 324,628                | 2,880,733                |
| 2009              | none                          |                 | 3,982,522           | 955,533                | 3,702,188                |
| 2010              | none                          |                 | 4,512,636           | 530,114                | 3,148,928                |
| 2011              | none                          |                 | 4,015,430           | (497,206) *            | 747,828                  |
| 2012              | none                          |                 | 4,069,862           | 54,432 *               | 2,577,600                |
| 2013              | none                          |                 | 4,088,721           | 18,859 *               | 2,000,432                |
| 2014              | none                          |                 | 4,801,422           | 712,701 *              | 3,012,204                |
| 2015              | none                          |                 | 5,444,595           | 643,173 *              | 3,206,113                |
| 2016              | none                          |                 | \$5,810,834         | \$366,239 *            | \$3,977,353              |
| Budget            | 2017                          | none            | \$6,282,258         | \$471,424 *            | \$2,731,090              |
| Adopted Guideline | 2018                          | none            | \$6,383,991         | \$101,733              | \$3,743,084              |

\* FY11 is net of \$1,000,000 appropriated from the Debt Stabilization Fund and \$431,796 Thoreau MSBA grant allocation.  
FY12 is net of \$700,000 appropriated from the Debt Stabilization Fund and \$427,413 Thoreau MSBA grant allocation.  
FY13 is net of \$475,000 appropriated from the Debt Stabilization Fund and \$409,878 Thoreau MSBA grant allocation.  
FY14 is net of \$965,000 appropriated from Debt Stabilization Funds (Elementary and High School) and \$409,878 Thoreau MSBA grant allocation.  
FY15 Adopted budget is net of \$500,000 appropriated from Debt Stabilization Funds (High School) and \$409,878 Thoreau MSBA grant allocation.  
FY16 Adopted budget is net of \$1,500,000 appropriated from Debt Stabilization Funds (High School) and \$409,878 Thoreau MSBA grant allocation.  
FY17 Adopted is net of \$1,000,000 proposed from Debt Stabilization Funds (High School) and \$409,878 Thoreau MSBA grant allocation (final).  
FY18 Projected is net of \$785,000 proposed from HS Debt Stabilization Fund

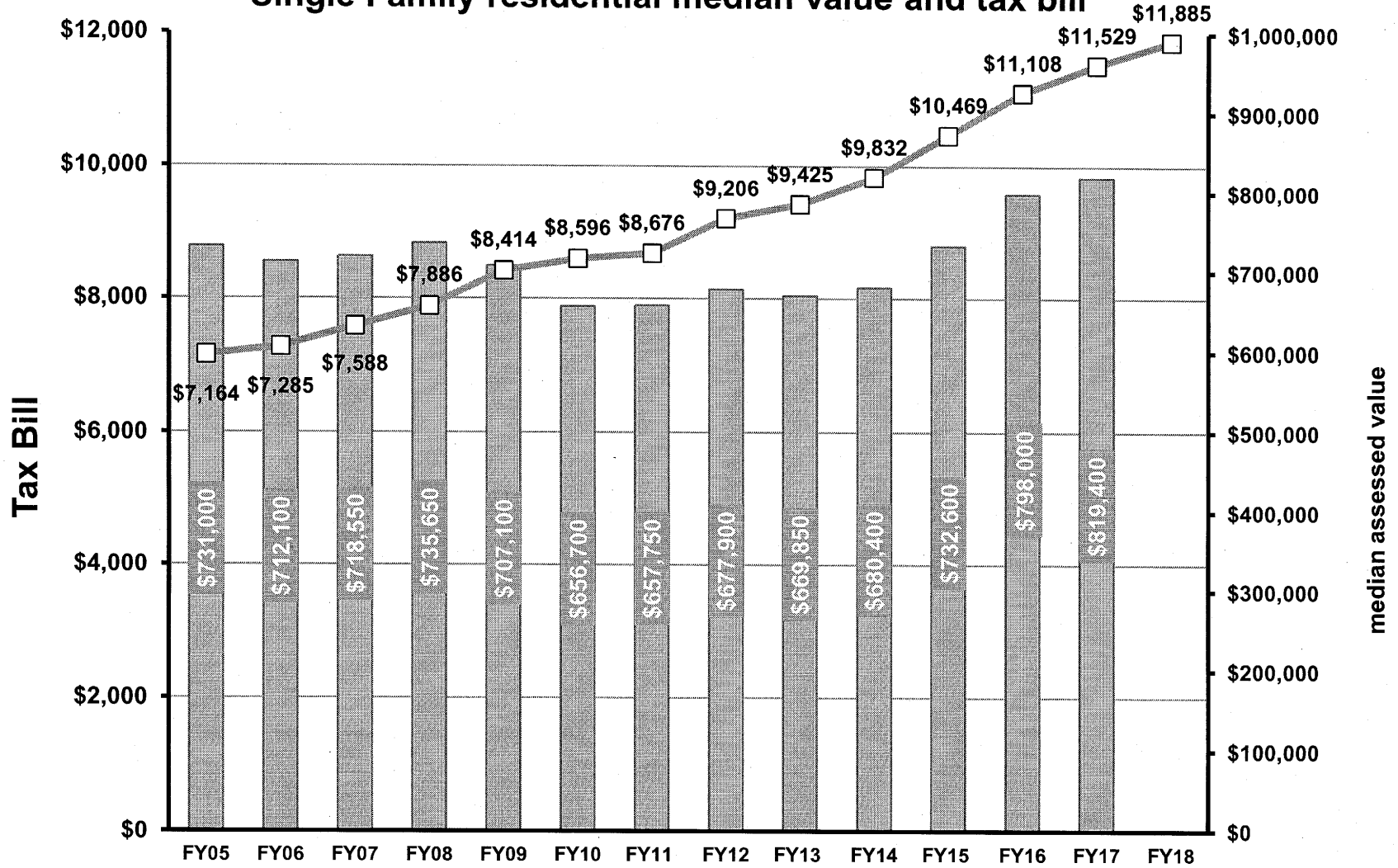
## Tax bill on Single Family parcel



**Overall % increase to existing taxpayers**  
*(impact on individual taxpayers will vary)*



### Single Family residential median value and tax bill



## Tax Levy for Excluded Debt

|                                   | FY15<br>ACTUAL      | FY16<br>BUDGET     | FY17<br>BUDGET     | FY18               | FY19               | FY20               | FY21               | FY22               | Final<br>Fiscal Yr |
|-----------------------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Debt Issued:</b>               |                     |                    |                    | <b>PROJECTED</b>   |                    |                    |                    |                    |                    |
| Concord-Carlisle H.S.             | \$1,858,841         | 3,514,429          | \$3,666,016        | \$3,701,479        | \$3,254,830        | \$3,122,420        | \$3,097,456        | \$3,014,852        | 2038               |
| Harvey Wheeler Building           | 107,389             | 103,694            |                    |                    |                    |                    |                    |                    | 2016               |
| Alcott School                     | 701,499             | 638,667            | 624,369            | 603,253            | 586,181            | 567,169            | 543,923            | 525,320            | 2025               |
| Thoreau School                    | 1,344,761           | 1,234,619          | 1,196,325          | 729,439            | 689,846            | 652,811            | 615,301            | 578,824            | 2026               |
| Willard School                    | 2,240,652           | 2,128,091          | 2,088,247          | 2,033,958          | 1,813,598          | 1,771,428          | 1,729,258          | 1,683,966          | 2029               |
| Wastewater Plan, Phase 1          | 101,331             | 101,212            | 101,089            | 100,863            | 100,836            | 100,706            | 100,573            | 100,438            | 2026               |
| <b>subtotal</b>                   | <b>\$ 6,354,473</b> | <b>\$7,720,712</b> | <b>\$7,676,046</b> | <b>\$7,168,992</b> | <b>\$6,445,291</b> | <b>\$6,214,534</b> | <b>\$6,086,511</b> | <b>\$5,903,400</b> |                    |
| CCHS not yet issued:              |                     |                    |                    |                    |                    |                    |                    |                    |                    |
| New CCHS                          |                     |                    | 0                  |                    | 144,895            | 140,147            | 140,230            | 139,490            | 2036               |
| Landfill remediation              |                     |                    | 0                  |                    | 159,572            | 154,440            | 154,632            |                    | 2021               |
|                                   |                     |                    | <u>\$7,676,046</u> | <u>\$7,168,992</u> | <u>\$6,749,758</u> | <u>\$6,509,121</u> | <u>\$6,381,373</u> | <u>\$6,042,890</u> |                    |
| <b>less HS Stabilization Fund</b> | <b>(500,000)</b>    | <b>(1,500,000)</b> | <b>(1,000,000)</b> | <b>(785,000)</b>   | <b>(250,000)</b>   |                    |                    |                    |                    |
| <b>less MSBA Thoreau grant</b>    | <b>(409,878)</b>    | <b>(409,878)</b>   | <b>(409,878)</b>   |                    |                    |                    |                    |                    |                    |
| <b>NET from property tax levy</b> | <b>\$5,444,595</b>  | <b>\$5,810,834</b> | <b>\$6,266,168</b> | <b>\$6,383,992</b> | <b>\$6,499,758</b> | <b>\$6,509,121</b> | <b>\$6,381,373</b> | <b>\$6,042,890</b> |                    |

## Unfunded Liabilities and Outstanding Bonded Debt at June 30, 2015 \*

|                                                                       | General Fund          | Enterprise &<br>Other | Total                 |
|-----------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|
| 1. Town Debt Outstanding                                              | \$ 41,730,401         | \$ 20,866,325         | \$ 62,596,726         |
| 2. Unfunded Pension <sup>(a)</sup>                                    | \$ 13,165,799         | \$ 2,346,129          | \$ 15,511,928         |
| 3. Unfunded OPEB <sup>(b)</sup>                                       | \$ 25,716,072         | \$ 1,159,169          | \$ 26,875,241         |
| 4. Regional School District Overlapping Debt, @ 73.10% <sup>(c)</sup> | \$ 45,892,180         | \$ -                  | \$ 45,892,180         |
| <b>Total</b>                                                          | <b>\$ 126,504,452</b> | <b>\$ 24,371,623</b>  | <b>\$ 150,876,075</b> |

Notes:

\* June 30, 2015 data except as noted

(a) per GASB 67 & 68 report at June 30, 2015 reporting date

(b) June 30, 2014 actuarial valuation date

(c) Using assessment ratio applicable to FY15 assessment

### GENERAL FUND: Annual Funding

|                                                           | FY15               | FY16               |
|-----------------------------------------------------------|--------------------|--------------------|
| Long-Term Debt, final maturity FY29                       | \$6,259,293        | \$6,355,895        |
| Unfunded Pension Liability amortization: schedule to 2030 | \$1,842,000        | \$1,898,000        |
| Unfunded OPEB liability amortization: schedule to 2038    | \$848,000          | \$878,000          |
|                                                           | <b>\$8,949,293</b> | <b>\$9,131,895</b> |

As of the time of printing, the Unfunded Pension Liability and Unfunded OPEB Liability had not been updated as of June 30, 2016

Concord Finance Department  
August 4, 2015